

## Funding Sources for Language Access Services

This document presents the following information and resources on funding for language access services:

- Federal, State, local, and other funding sources
- Medicaid and State Children’s Health Insurance Program (SCHIP) coverage
- Medicare coverage
- Coverage for federally qualified health centers and rural health clinics
- Sample costs for language access services (LAS)

### ***Federal, State, Local, and Other Funding Sources<sup>1</sup>***

A variety of potential funding sources exist for implementing LAS. This section lists possible funding sources for organizations and provides a brief description of each funding source and places to go for additional information.

Resource	Source Type	Description	For More Information
Medicaid	Federal funding; State reimbursement	Federal matching funds are available for State expenditures on language services for recipients of Medicaid. Eleven States offer direct reimbursement for these services (Hawaii, Idaho, Kansas, Massachusetts, Maine, Minnesota, Montana, New Hampshire, Utah, Virginia, and Washington).	See the information in the Medicaid and SCHIP section (page 210). Contact your State Medicaid program. <a href="http://www.cms.hhs.gov/apps/contacts/">http://www.cms.hhs.gov/apps/contacts/</a>
State Children’s Health Insurance Program (SCHIP)	Federal funding; State reimbursement	Federal matching funds are available for State expenditures on language services for recipients of SCHIP. Eleven States offer direct reimbursement for these services.	See the information in the Medicaid and SCHIP section. Contact your State Medicaid program. <a href="http://www.cms.hhs.gov/schip">http://www.cms.hhs.gov/schip</a>
Medicare Part B	Payment for services	Payments for interpretation services provided as part of psychotherapy are permissible.	Contact the patient’s Medicare Part B contractor/insurer.

<sup>1</sup> *Expert Panel, 2005b, Youdelman & Perkins, 2002)*

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Resource	Source Type	Description	For More Information
Office of Minority Health (OMH), U.S. Department of Health and Human Services	Federal funding	Funding is provided for language services through the Bilingual/Bicultural Service Demonstration Grant Program. It awards funds to community-based organizations to provide language assistance to limited English proficient individuals seeking health care.	For a complete list of funding opportunities available from OMH, please see the OMH Web site: <a href="http://www.omhrc.gov/templates/browse.aspx?lvl=2&amp;lvlID=1">http://www.omhrc.gov/templates/browse.aspx?lvl=2&amp;lvlID=1</a>
State and county departments of health and departments of social services	State and local funding	States may offer additional funding of language services through: <ul style="list-style-type: none"> <li>• Offices of minority health</li> <li>• Departments of health</li> <li>• Departments of social services</li> </ul>	Contact your local and State offices and departments.
Refugee offices	Local funding	State and local refugee offices may provide funds for language assistance to refugees.	Contact your State or local refugee office.
Federal 330 Community Health Centers (CHC) grants	Grant	Provided by the Division of Community and Migrant Health, Bureau of Primary Health Care, the CHC Federal grant program is authorized under Section 330 of the Public Health Service Act. CHCs exist in areas where economic, geographic, or cultural barriers limit access to primary health care for a substantial portion of the population. CHCs tailor services to the needs of the community.	Division of Community and Migrant Health Bureau of Primary Health Care Parklawn Building, Mail Stop 17-61 5600 Fishers Lane Rockville, MD 20857 301-594-4300 301-594-4497 (fax) <a href="http://bphc.hrsa.gov/chc/nap.htm">http://bphc.hrsa.gov/chc/nap.htm</a>

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Resource	Source Type	Description	For More Information
California Endowment	Charitable foundation	The California Endowment has made cultural competence and linguistic access a major funding initiative by funding research, education, organizational development, and standards of interpretation services, language access policy and advocacy, and interpreter training and consumer education.	<a href="http://www.calendow.org">http://www.calendow.org</a>
The Commonwealth Fund	Charitable foundation	The Commonwealth Fund provides support of independent research, healthcare practice and healthcare policy through grants in three program areas: Improving Insurance Coverage and Access to Care, Improving the Quality of Healthcare Services, and International Health Policy and Practice.	<a href="http://www.cmwf.org">http://www.cmwf.org</a>
Robert Wood Johnson Foundation	Charitable foundation	The Robert Wood Johnson Foundation funded the Hablamos Juntos project, which provided grants to organizations to test systems of language services.	<a href="http://www.rwjf.org">http://www.rwjf.org</a> <a href="http://www.hablamosjuntos.org">http://www.hablamosjuntos.org</a>
Foundation Center	Internet search resource	The Foundation Center provides searchable databases (for a fee) on philanthropy and is dedicated to serving grant seekers, grant makers, researchers, policymakers, the media, and the general public.	<a href="http://www.fdncenter.org">http://www.fdncenter.org</a>

Resource	Source Type	Description	For More Information
Grantmakers in Health	Internet search resource	Grantmakers in Health provides a resource center on health philanthropy (for a fee), collects basic information on foundations and corporate giving programs funding in health, and looks across the field to identify trends and emerging issues.	<a href="http://www.gih.org">http://www.gih.org</a>
Managed care organizations (MCOs) and health maintenance organizations (HMOs) and private insurance companies	Varies	MCOs and HMOs may provide reimbursement for interpreters or supply LAS, such as interpreters, telephone interpretation, or translated materials.	Contact the patient's insurance company for available services and coverage.

### **Medicaid and SCHIP Coverage<sup>2</sup>**

Each State currently has the option to receive matching funds from the Federal Government for services provided to recipients of Medicaid and SCHIP. Matching funds can be obtained as an administrative expense (equal to 50 percent of the cost) or as a covered service in a State. States that adopt language assistance as a covered service are eligible to receive a higher percentage of the total costs based on the State's Federal Medical Assistance Percentage (which is the Federal Government's share of a State's expenditures for Medicaid, determined annually by a statutory formula. Youdelman & Perkins, 2002; Centers for Medicare & Medicaid Services, 2003).

The decision is made on a State-by-State basis whether to receive Federal matching funds for State expenditures on language services at all, and then, if the State chooses to, as an administrative cost or as a covered medical service.

States can choose to reimburse for language services directly, no matter how they choose to receive Federal matching funds. According to the National Health Law Program, only 11 States provide a mechanism for providing language services directly. Please see the table below for detailed information on States that provide mechanisms for reimbursing for language services.

<sup>2</sup> *Expert Panel, 2005b; National Health Law Program, 2001; Grantmakers in Health, 2003*

**Medicaid and SCHIP Reimbursement Models for Language Services from the NHeLP Language Services Action Kit \*2002\***

<b>State</b>	<b>Whom does the State Reimburse</b>	<b>For Which Enrollees Does the State Pay for Language Services?</b>	<b>Which Providers Can Submit for Reimbursement?</b>	<b>How Much Does the State Pay for Language Services Provided to Medicaid/SCHIP Enrollees?</b>
<b>Hawaii</b>	Language agencies	Fee-for-service	Fee-for-service	\$36/hour (in 15-minute increments)
<b>Idaho</b>	Providers	Fee-for-service	Fee-for-service	\$12/hour
<b>Kansas</b>	EDS (the State Medicaid fiscal agent)	Fee-for-service	Fee-for-service	Spanish— \$1.10/minute Other languages— \$2.04/minute
<b>Massachusetts</b>	Hospitals and psychiatric facilities	Fee-for-service	Hospitals and psychiatric facilities	Determined by Medicaid agency
<b>Maine</b>	Providers	Fee-for-service	Fee-for-service	\$30/hour (business hours) \$40/hour (non-business hours) \$7.50/15 minutes after first hour
<b>Minnesota</b>	Providers	Fee-for-service	Fee-for-service	\$12.50/15 minutes Lesser of \$50/hour or usual and customary fee
<b>Montana</b>	Interpreters	All Medicaid	All	Lesser of \$6.25/15 minutes or usual and customary fee
<b>New Hampshire</b>	Interpreters (who are Medicaid providers)	Fee-for-service	Fee-for-service	\$15/hour \$2.25/15 minutes after first hour
<b>Utah</b>	Language agencies	Fee-for-service	Fee-for-service	\$22/hour (phone) \$39/hour (in person)
<b>Virginia</b>	Health departments	Fee-for-service	Health departments	Unknown
<b>Washington</b>	Public entities	All	Public entities	50 percent of allowable expenses
	Brokers; interpreters and language agencies	All	Nonpublic entities	Brokers receive an administrative fee Interpreters/language agencies receive up to \$28/hour

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A review of the 11 States that directly reimburse for language assistance shows that States that claim the Federal share of matching funds as a covered service receive a higher percentage of their State's costs than States that claim their share as an administrative expense. The table below details the percentage of States' costs paid by the Government by claim type. However, this rate is based on each State's Federal Medical Assistance Percentage.

State	How Does the State Claim its Federal Share—As a Covered Service or Administrative Expense?	What Percentage of the State's Costs Does the Federal Government Pay (FY 2002)?
Hawaii	Covered service	Medicaid—58.77% SCHIP—71.14%
Idaho	Covered service	Medicaid—70.96% SCHIP—79.67%
Kansas	Administrative Expense	Medicaid and SCHIP—50%
Maine	Covered service	Medicaid—66.22% SCHIP—76.35%
Massachusetts	Unknown	Medicaid and SCHIP—50%
Minnesota	Administrative Expense	Medicaid and SCHIP—50%
Montana	Administrative Expense	Medicaid and SCHIP—50%
New Hampshire	Administrative Expense	Medicaid and SCHIP—50%
Utah	Covered service	Medicaid—71.24% SCHIP—79.87%
Virginia	Administrative Expense	Medicaid and SCHIP—50%
Washington	Administrative Expense	Medicaid and SCHIP—50%

Methods for securing language services and eligible entities for receiving reimbursement for language services vary by State.

### Provision of Interpreters

- All 11 States cover some form of an interpreter. How providers engage an interpreter differs from State to State.
- Hawaii contracts with two language service organizations, and Utah contracts with five organizations to provide interpreters. Virginia contracts with an area health education center and other subcontractors.
- In Idaho, Maine, Minnesota, and Montana, providers are responsible for arranging interpreters.
- Kansas provides access to a telephone interpreter line for all providers serving Medicaid fee-for-service enrollees.
- In Montana, the interpretation must be face-to-face to be considered reimbursable.

### Hospitals

Although the costs of interpreters and language services are directly reimbursable to providers or other entities in these 11 States, the cost of language services for hospitals is not directly reimbursable for inpatient services. For hospitals, the cost of language services is considered an administrative cost and included in their payment rates. Hospitals that provide outpatient fee-for-service clinics can get reimbursed just like other Medicaid providers in States that provide reimbursement. Massachusetts and Washington, however, provide some form of reimbursement to hospitals. In Massachusetts, hospitals

receive supplemental payments for interpretation services provided. In addition, State law requires that reimbursement be provided to hospitals for the Medicaid managed care patients served by the hospital. In Washington, public entities can only use certified interpreters and are reimbursed for 50 percent of their costs.

Federal funding is also provided to States for disproportionate share hospitals (DSHs). This funding can be used by States to support State-designated hospitals that serve a disproportionate share of Medicaid and uninsured patients. States distribute this funding to DSHs as they see fit and can consider language services expenses when allocating funding.

## **Medicare Coverage**

Medicare does not provide or reimburse for LAS. However, under Medicare Part B, language interpreters are covered for psychotherapy services delivered by a doctorate- or masters-level psychologist, clinical social worker, and, in some States, a nurse practitioner or a clinical nurse specialist.

The Federal Government contracts directly with health plans and healthcare providers under Medicare. Some of the contracted agencies, including managed care organizations, health maintenance organizations, and providers, may provide interpretation

## ***Coverage for Federally Qualified Health Centers and Rural Health Clinics***

### **Federally Qualified Health Centers**

Federally qualified health centers (FQHCs) can be private, nonprofit, or public organizations that are eligible to receive funding through Section 330 of the Public Health Service Act. FQHCs provide preventive primary health services to people who face barriers in accessing health services because they have difficulty paying for services, because they have language or cultural differences, or because there is an insufficient number of health professionals/resources available in their community (Schlosberg, 2005). FQHCs must provide basic health services and services that help ensure access to basic health and social services, including interpretive services.

Some of the benefits of being designated a FQHC include (Niemeier, 2005a):

- Enhanced Medicare and Medicaid reimbursement
- Medical malpractice coverage through the Federal Tort Claims Act
- Eligibility to purchase prescription and nonprescription medications for outpatients at reduced cost through the 340B Drug Pricing Program
- Access to National Health Service Corps
- Access to the Vaccine for Children program
- Eligibility for various other Federal grants and programs

### **Rural Health Clinics**

Rural health clinics (RHCs) can be for-profit or not-for-profit clinics located in areas that are designated as medically underserved. RHCs are required to use a team approach of physicians and mid-level practitioners (nurse practitioners [NPs], physician assistants [PAs], and certified nurse midwives [CNMs]) to provide primary care services. RHCs may also provide other healthcare services, but they may not be reimbursed for those services based on their allowable costs (Niemeier, 2005b).

Some of the benefits of being designated a RHC include (Niemeier, 2005a):

- RHCs receive special Medicare and Medicaid reimbursement.
- Medicare visits are reimbursed based on allowable costs, and Medicaid visits are reimbursed under the cost-based Prospective Payment System (PPS).
- RHCs may see improved patient flow through the utilization of NPs, PAs, and CNMs.
- A Patient-Centered Guide to Implementing Language Access Services in Health Care Organizations

### **Sample Costs for Language Access Services**

Interpretation rates range in price. In-person interpretation rates are generally charged on an hourly basis or another interval of time (e.g., 15-minute intervals). Telephone and video interpreting services tend to charge by the minute. Some examples of the range of rates for interpretation services are provided below.

	<b>Program</b>	<b>Rate</b>
<b>Face-to-Face Interpretation</b>	Alameda Alliance for Health (Oakland, CA)	\$90–\$100/hour, 2 hour minimum
	Idaho Medicaid Fee-for-Service	\$12/hour
	Maine Medicaid Fee-for-Service	(Expert Panel, 2005b)
	Montana Medicaid	Reasonable costs
	Multicultural Association of Medical Interpreters (Oneida, NY)	(Expert Panel, 2005b) Lesser of \$6.25/15 minutes or usual and customary fee \$45–\$60/hour (with discounted contract rates)
	Utah Medicaid Fee-for-Service	\$39/hour (in person)
	Washington nonpublic entities	Up to \$28/hour
<b>Telephonic Interpretation</b>	Kansas Medicaid Fee-for-Service	Spanish—\$1.10/minute Other languages—\$2.04/minute
	Utah Medicaid Fee-for-Service	\$22/hour
	Language Line Services (Monterey, CA)	Prices range from \$2.20 to \$4.50 per minute
	Pacific Interpreters (Portland, OR)	Pricing depends on size of facility and the volume of non-English patients that the organization serves

<sup>3</sup> Rate As of 2002

<sup>4</sup> Rate for Language Line Services as of 2004.

## Translation

Rates for translation of documents also range in price. Rates are by word, by word block, and by page. These rates can further vary by language, subject matter, timeline for completion, and minimum rates. Some examples of the range of rates for translation services are provided below.

Company/Organization	Rate
<b>Language Line Services (Monterey, CA)</b>	Spanish, Chinese (Mandarin and Cantonese), French, Japanese, Korean, Russian, Vietnamese: \$9.50 per 25-word block \$40 minimum
	Armenian, Cambodian, German, Haitian Creole, Italian, Polish, Portuguese, Farsi, Tagalog, Thai, Urdu and all other languages: \$13.00 per 25-word block \$60 minimum
<b>Eurasia Translations, Inc. (Encino, CA)</b>	Minimum rate is \$100
	European language translations: \$0.26 per word
	Scandinavian language translations: \$0.30 per word
	Asian language translations: \$0.30 per word
<b>Essence Translation Services</b>	Less than 10 words: Flat rate \$10
	11–100 words: Flat rate \$15
	101–2,000 words: \$0.20 per word
	2,001–10,000 words: \$0.18 per word
	More than 10,000 words: \$0.16 per word
<b>Polyglot Translation and Academic Services</b>	English to Chinese: \$0.12 per source word
	Chinese to English: \$0.08 per source word
<b>Washington State Language Interpreter Services and Translation (LIST) program</b>	Language assistance organizations contracted by the LIST program bill the State, and the State pays a \$35–\$45 flat rate.
<b>Utah’s fee-for-service Medicaid, State Children’s Health Insurance Program, and medically indigent Programs</b>	Language assistance service organizations contracted by the State of Utah bill the State, and the State pays \$35 per page for written translation services.
<b>Minnesota’s fee-for-service and managed care Medicaid program and State Children’s Health Insurance Program</b>	The State reimburses \$25–100 per page for written translations, depending on the language and complexity of the document.

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